

Minutes of the meeting of the Redevelopment Agency of Murray City held Tuesday, August 9, 2005 in the Murray City Council Chambers, 5025 South State Street, Murray, Utah.

Attendance:

Jim Brass
Pat Griffiths
Krista Dunn
Robbie Robertson

Jeff Dredge
Karen Wikstrom
Alice Larkin Steiner
Mayor Dan Snarr

Keith Snarr
Jan Wells
Frank Nakamura
Carol Heales

1. Presentation of Fireclay Redevelopment Project Area Budget by Keith Snarr.

Keith Snarr explained the adjustments in the budget since the July 12 meeting. He explained the concerns from the Murray City School District. The school district was concerned after performing their own analysis that the education mitigation amount in the RDA Budget would be insufficient to provide for the impact of the project on the district. The budget presented to the board for consideration includes changes made to reflect the increased monies dedicated to education mitigation and the change to a 20 year cumulative budget to allow for the RDA to collect sufficient tax increment to offset the cost of infrastructure in the project area. Mr. Snarr continued with a summary of the budget, the anticipated investment in the area and the anticipated tax increment. He also reviewed the necessity of the inflation and financing contingency.

Superintendent Richard Tranter of the Murray School District

Superintendent Tranter expressed appreciation for the response of the Redevelopment Agency to the concerns of the School District. He discussed the possibility of a waiver for the 20% housing funds in the RDA saying that applying for a waiver was very appealing to the school district. The possibility of reaching the budgeted amount of collected tax increment in less than 20 years would be a wonderful thing for the school district. This would allow the school district to use their full tax levy to improve education.

Superintendent Tranter also submitted a request to the Redevelopment Agency Board to address a possible need to build a school in the project area. The school district requests that in the initial planning the Redevelopment Agency help develop a seven to eight acre site for a school in case it is needed. If the project generates 500-600 elementary age children the district may not have the capacity to bus them over the entire district and it might make more sense for the district to build a new school in the project area.

2. Brief update the on Fireclay Redevelopment Plan by Karen Wikstrom

Karen Wikstrom presented a current red line version of the plan compared to the first version of the plan as a way to help the Redevelopment Agency Board see the evolution of the document. The most important change that was highlighted was related to eminent

domain and how it operates after the most recent legislative changes. The language referencing the Redevelopment Agency's power of eminent domain was removed from the plan. One of the things that the consultants would like to add back into the plan is a statement to grandfather the plan as of its adoption date and also a provision to include the option of eminent domain should it be reenacted. This statement would give the plan flexibility and allow the Agency to use the power of eminent domain if it was reenacted, without having to go through the process of amending the redevelopment plan.

Jeff Dredge asked if the Redevelopment Agency would be incurring risk of being targeted by the legislature for inserting that language.

Alice Steiner answered that the Redevelopment Agency would not be incurring risk, but simply acting prudently by making it clear that if the power should come back that the Agency will take advantage of it.

Jan Wells presented a legislative update relating to redevelopment.

Jan Wells has been sitting on The League of Cities and Towns tax team and also on an RDA subcommittee. They have drafted a proposal to be delivered to the legislature. What is being proposed is instead of having only an RDA track, to have three different tracks related to development, one would be the economic development portion, one would be the RDA track, and the third one would be the commercial development track, which is a new track. Each track would have different tools involved. In the RDA track, for areas that truly are blighted, eminent domain would be available only in blighted areas which are limited in scope, it would require a 2/3 vote of the governing body, it would limit the eminent domain to the first five years of the project, it would require that the replacement value and the relocation costs be included in the determination of just compensation, it would not use the blight finding in the calculation of the fair market value and it would not be used within a redevelopment area for economic development. The purpose of eminent domain would only be for blight removal.

Jim Brass called for a motion to direct the consultants to include the new language concerning eminent domain in the plan.

Jeff Dredge motioned and Robbie Robertson seconded.

Pat Griffiths	Nay
Krista Dunn	Aye
Jeff Dredge	Aye
Robbie Robertson	Aye
Jim Brass	Aye

The Redevelopment Agency meeting recessed for a Public Hearing of the Murray City Municipal Council.

Jan Wells continued the legislative update. Changes in blight requirements include a change in the definition of blight. The new definition would prohibit green fields from being considered as blight, it would decrease the number of eligible blight factors from nine to seven, it would increase the number of blight factors that must be found from three to four. The blight threshold would be changed from 50% of the parcels to 60% and it removes objective factors of blight. The TEC committee will also have veto power by not approving the budget, this formalizes current procedure.

Other changes with the three track proposal include extending economic development incentives to cities that produce economic growth for the state to offset associated costs, such as the Kraft Maid development in West Jordan.

The Redevelopment Agency Board decided to agenda discussion of the 20% housing fund waiver for a meeting on August 16 at 5:00.

The meeting was adjourned